Chain Store Age
EXECUTIVE
with Shop[illegible]enter Age
The newsmagazi[illegible]agement

SIXTY-SOMETHING: [illegible]NG TO AN [illegible]RICA

"We are selling sixty-year-olds as if they were thirty-year-olds and it doesn't work."

Ken Dychtwald
Chairman and ceo of Age Wave

$79.00 A YEAR (USA) SECOND CLASS

CONTENTS

NORTHERN NEW ENGLAND STILL FERTILE

The forthcoming 515,000-sq.-ft. Aroostook Centre in Presque Isle, Maine, will take advantage of a dearth of competition in northern Maine, and also will service the Canadian consumer. 35

DEPARTMENTS

Cover Story: Shifting demographics are creating new opportunities for American retailers. 30
A Designer goes "undercover" and experiences age discrimination. . 32
Lucky Stores seeks to target older shoppers. 33
Physical Supports: *Chain Store Age Executive's* annual Physical Supports Census of 120 retail chains. 61
Ceilings: King Kullen's remodeled store in Bellmore, Long Island, sparkles in many ways, but most striking is the ceiling. 64
Fixtures: In designing the Home Store in Hato Ray, P.R., Tucci, Segrete & Rosen had in mind a warehouse appeal with a modular concept. So it chose wood for its fixtures. . 66
Roofing: Lyle D. Hogan, a roofing consultant, can tick off a list of things that can go wrong with your roof. 68
HVAC: The 5-7-9 Shops uses a national service network for heating/cooling maintenance and repair. . 70
Floor Maintenance: Sawgrass Mills maintains 200,000 sq. ft. of wood floors every night. 72
Lighting: Energy efficient fluorescent lamps and electronic ballasts have reduced Target Stores' energy costs. 75
Flooring: The hardwood floor is making a comeback. 79
Signage: When it comes to signs, too much is the same as not enough, says Dillard's Sue Stanley. 81
Store Design: All white decor and minimalist design put the spotlight on merchandise at MindisMart, a unique recycling store. 82
Executive Forum: Storelighting as a profit center? 84
Finance: Consultants can help turnaround by restructuring internal operations to be more competitive. 89
Revenues and earnings: Quarterly performances by retail segment. 91
May retail sales have some people wondering if the worst of the recession is over. 93

RETAIL TECHNOLOGY

Pay 'N Pack Stores, once left in the dust by the pace of technological change, has succeeded in building a totally integrated system. 47
IKEA is depending on Just-in-Time techniques and an open systems strategy. 49
SpecNet seems well on its way to becoming a reality, but technical challenges and political disagreements may limit the group of specialty store retailers to voice networking. . . 50
RT Forum: A solution to take unwanted and POS-interfering noise out of an electrical system. . . . 54
Technically Speaking 56
New Products 57
On Line 59

SHOPPING CENTER AGE

Konover & Associates has fought for 6½ years to build Monadnock Mall, and the battle may not yet be won. 36
The Mall at Rockingham Park will provide Southern New Hampshirites with another shopping alternative. 38
Shopping Center Age News. . . 40
Development Activity. 42
On the Level. 43
On Center. 44

SECTION TWO

Directory of Fixture Manufacturers

SECTION THREE

Directory of Lighting Suppliers

From the Editor's Desk 6
Letters to the Editor 10
Updates 20
Perspectives 23
New Products 87
Advertising Index 94

SPENDING VARIED FOR PHYSICAL SUPPORTS

SURVEY POLLS COSTS FOR CONSTRUCTION, FIXTURING AND MAINTENANCE

Department and discount stores on average spent more per square foot to construct building shells (including roof, floors and walls) in 1990 compared with 1989, while drug stores, supermarkets, home centers and apparel specialty stores reduced their capital expenditures for their new shells.

Department stores, for instance, increased their construction spending on average 23.8% to $37.42 a square foot from $33.76 a year earlier and discount stores increased their spending 35% to $28.77 a square foot from $21.31. Supermarkets, on the other hand, reduced their spending 0.8% to $33.81 a square foot from $34.09, and home centers cut their costs 15.5% to $23.42 a square foot from $27.71 a year earlier.

These figures are drawn from the exclusive *Chain Store Age Executive* Physical Support System poll of a cross section of retail chains that annually surveys construction, fixturing and maintenance costs.

The survey, conducted by Leo J. Shapiro & Associates, Chicago, polled officials from 120 retail chains, divided among supermarket, department, drug discount, apparel specialty and home center operators.

These companies represented 18,512 stores with an aggregate retail volume of $123 billion in 1990.

Some of the chains participating in the survey were Target, Pace, Price, Thrift Drug, Revo, Long Drug Stores, Grand Union, Dominick's, Kroger, Dillard's, Marshall Field, J. C. Penney, Home Depot, Wolohan Lumber, Edison Brothers, Merry-Go-Round and Eddie Bauer.

Asked why they chose particular physical support resources, many chains cited price as the main reason, rather than quality, service or ease of

Reasons for selecting a physical supports resource

	Interior Lighting	HVAC	Metal Fixtures	Wood Fixtures	Floor Maintenance
Price (lower cost/lowest bid)	51.5%	45.0%	39.6%	11.5%	3.9%
Quality	8.8	16.7	27.5	4.9	1.3
Good service/available/can get them to service it	13.2	15.0	23.1	4.9	—
Come in within our specs/bids	8.8	15.0	3.3	1.6	—
Sturdy/dependable product/well made/reliable/long lasting	7.4	11.7	28.6	1.6	—
Low/ease of maintenance	8.8	10.0	—	1.6	—
Have had good luck with their merchandise/happy with their merchandise/performance	7.4	10.0	4.4	1.6	2.6
Have been dealing with them for years	17.6	8.3	12.1	4.9	2.6
Have what I like/have design I like	8.8	8.3	7.7	1.6	—
Same day/fast service	1.5	6.7	2.2	4.9	1.3
Delivery when we want it/on time	20.6	6.7	16.5	4.9	—
Deal with them on a national basis/have a national account with them	2.9	6.7	2.2	—	1.3
Use them in all our stores	—	5.0	4.4	—	—
Availability	5.9	5.0	3.3	—	—
Custom made/custom make what we want	1.5	3.3	2.2	19.7	—
Ease of assembly/use	2.9	3.3	7.7	—	—
Their product is universal/ inter-changeable	—	3.3	8.8	—	—
We have our own people/ It's in-house	—	3.3	1.1	36.1	77.6
Good salespeople	4.4	3.3	4.4	1.6	—
Local company	1.5	1.7	8.8	24.6	3.9
Looks good	—	—	5.5	4.9	—
Other	11.8	13.3	5.5	—	5.3
No answer	—	—	1.1	6.6	5.3

Source: *Chain Store Age Executive*/Leo J. Shapiro & Associates

Store size increases for most retailers

	Discount	Drug	Supermarket	Dept.	Home Center	Apparel Specialty
Existing stores (avg. gross sq. ft.)	79,171	21,050	46,710	130,476	37,024	10,640
Existing stores (avg. selling space)	59,378	16,884	33,164	105,033	28,249	8,906
Stores opened 1990 (avg. gross sq. ft.)	71,274	29,216	54,795	124,333	40,406	11,361
Stores opened 1990 (avg. selling space)	53,242	23,168	39,014	102,450	32,122	9,589
Cost per square foot to erect building shell 1990	$28.77	$33.56	$33.81	$37.42	$23.42	$36.45

Source: *Chain Store Age Executive*/Leo J. Shapiro & Associates

Average cost per square foot of physical support systems

	Discount	Drug	Supermarket	Dept.	Home Center	Apparel Specialty
Interior lighting	$0.85	$0.74	$1.09	$1.89	$0.65	$0.95
Interior signage (excluding art & photography)	0.60	0.22	0.51	0.27	0.32	0.51
Flooring	1.66	1.25	1.64	4.42	0.75	3.38
Ceilings	1.38	1.37	1.08	2.52	0.89	1.59
Fixtures	8.50	7.50	9.64	7.88	6.30	9.67
Floor maintenance	0.14	0.14	0.22	0.12	0.13	0.11
HVAC	1.58	1.22	1.98	2.40	1.30	N.A
Roofing	1.93	1.38	1.81	2.15	1.15	N.A

N.A. = Not Asked
Source: *Chain Store Age Executive*/Leo J. Shapiro & Associates

maintenance. For instance, price was cited by 51.5% of retailers shopping for interior lighting, 45% of retailers looking for HVAC and 39.6% of those buying metal fixtures. However, 24.6% of the people looking for wood fixtures said they prefer local companies, compared with 11.5% who said price was the major reason.

While the construction costs of some items, like HVAC increased from the 1990 survey to this year, others decreased. HVAC costs, for instance, increased from $1.48 a square foot to $1.70 a square foot in the current survey. Department stores spent on average $2.40 a square foot, followed by supermarkets ($1.98) and discount stores ($1.58)

At the same time, however, the construction costs per square foot for interior signage decreased from 47 cents to 42 cents. Discount stores average 61 cents per square foot while department and specialty apparel each spent an average of 52 cents per square foot.

The survey showed that retailers spent on average $1 a square foot for interior lighting, down 10% from $1.11 a year ago. Department stores spent $1.89 a square foot for interior lighting, followed by supermarkets and specialty apparel stores (95 cents per square foot each).

The retailers were asked the life span of various physical support items before they had to be replaced.

Roofs lasted the longest, according to the survey, with an average of 17 years. Supermarkets, department and discount stores each kept their original roofs an average of 18 years, while drug stores reported 16 years and specialty apparel had 15 years.

HVAC had an average life span of 16 years. Department stores led the pack with 19 years, specialty apparel (15 years) and the rest (16 years).

Ceilings lasted on average 13 years in retail stores, according to the study. Both department stores and home centers kept original ceilings for 15 years.

Interior lighting lasted on average 11 years for the stores, led by department and discount stores, each with 12 years.

Flooring had a life span of 10 years. Not too surprising was the report that home center floors lasted the longest with 14 years before being replaced, followed by drug stores and supermarkets, each with 11 years of service.

Display fixtures also lasted on average 10 years. Home centers and drug stores fixtures lasted an average of 12 years, followed by supermarkets (11 years) and discount stores (nine years).

Signs lasted on average six years for all retailers. Home centers and supermarkets each reported seven years, while discount and drug stores said their signs lasted six years.

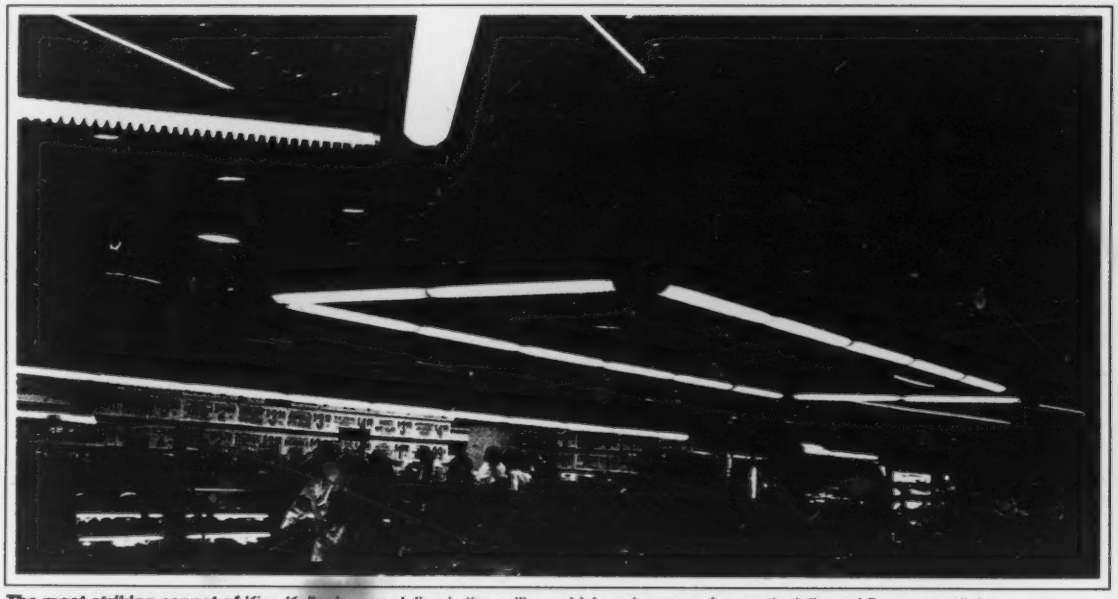
The average size of all stores opened in the 12 months prior to the survey was 56,248 sq. ft. Leading in size were department stores with an average of 124,333 sq. ft. Second in size were discount stores with an average of 71,274 sq. ft.

Supermarkets were next with an average of 54,795 sq. ft., followed by home centers with an average of 40,406 sq. ft., drug stores with 29,216 sq. ft. and specialty apparel stores with 11,361. ■

Average life span of physical support systems (mean years)

	Discount	Drug	Supermarket	Dept.	Home Center	Apparel Specialty
Flooring	10	11	11	8	14	7
Ceilings	12	13	13	15	15	11
Fixtures	9	12	11	8	12	8
Interior lighting	12	11	11	12	11	9
Interior signage	6	6	7	5	7	4
Roofing	18	16	18	18	15	N.A.
Floor maintenance equipment	7	6	6	6	5	N.A.
HVAC	16	16	16	19	15	N.A.

N.A. = Not Asked
Source: *Chain Store Age Executive*/Leo J. Shapiro & Associates



The most striking aspect of King Kullen's remodeling is the ceiling, which makes use of acoustical tile and fluorescent lights.

KING KULLEN MAKES STATEMENT WITH CEILINGS

CREATES EXCITEMENT IN A STORE THAT HAD BEEN BADLY OUT-OF-DATE

King Kullen was looking for a way to revitalize its store in Bellmore, Long Island, N.Y., that was more than 15 years old and losing market share to newcomers steadily.

It was not hard to see why the store had lost its spark. Its country theme—with wood cross-bucks all over, like X's on the side of a barn, and cedar-shake canopies over the deli and bakery—was embarrassingly out-of-date.

Worse, low ceilings gave the store a cramped feel, despite an overall selling space of some 39,000 sq. ft.

King Kullen wanted to make a statement about the location—to show that it was there to stay. The Westbury, N.Y.-based chain enlisted the services of Arnold Ward Studios, New Hyde Park, N.Y., for a complete redesign of the interior.

The firm's work on the store won top honors for remodels over 20,000 sq. ft. in this year's New Store of the Year competition, sponsored by *Chain Store Age Executive*. The project began in late 1989 and was completed six months later at a cost of $2 million.

With its new look and spatial effect, the store now sparkles in many ways. But most striking is the ceiling, which makes use of numerous types of new materials.

For example, in the floral department, there is a simulated glass block ceiling from USG Interiors, Chicago. The plastic tiles are laid into 2-by-2 grids, and lit from behind with strip fluorescent lights, says Arnold Ward, president of Arnold Ward Studios.

"This couldn't be done with real glass. It would be too heavy," he says. "But this new material absolutely matches glass block in looks. It gives the floral department a very bright feeling."

In the produce and other specialty departments is a beam grid ceiling with metal chrome on the beams from

Types of ceilings used

	Total	Discount	Drug	Super-market	Depart-ment	Home center	Specialty Apparel
2-by-4-ft. lay in panels	71.1%	75.0%	77.8%	90.5%	66.7%	57.1%	60.0%
Acoustical	71.9	75.0	72.2	90.5	85.7	33.3	75.0
2-by-2-ft. lay in panels	43.0	25.0	—	61.9	76.2	14.3	75.0
Plaster	18.2	10.0	11.1	38.1	23.8	14.3	10.0
Tegular 2-by-4-ft. lay in panels	18.2	10.0	11.1	9.5	23.8	9.5	45.0
Tegular 2-by-2-ft. lay in panels	14.9	5.0	—	4.8	28.6	9.5	40.0
Dry-wall	6.6	—	16.7	9.5	9.5	4.8	—
12-by-12 concealed spline	9.9	—	—	9.5	19.0	—	30.0
Suspended ceiling	3.3	10.0	5.6	—	—	4.8	—
Other	15.7	5.0	11.1	9.5	14.3	9.5	45.0
Not answering	6.3	10.0	5.6	4.8	—	28.6	—

Note: Totals more than 100% due to multiple responses
Source: *Chain Store Age Executive*/Leo J. Shapiro & Associates

Hunter Douglas, Smyrna, Ga. Sweeping down the front end, giving the effect of an amphitheater, is a louvre ceiling with a chrome tube, which follows curves and controls lights so that they are partially hidden.

Even the grocery aisles have some pizzazz. Above them is a lay-in ceiling made by 2-by-4 scored acoustical tile from Armstrong, Saddle Brook, N.J.

The point of having all these ceilings, says Ward, "is to create excitement and accent departments. Even with the same lighting, departments can look different with different ceilings." ■

HOME STORE MOVES TO WOOD

ENHANCES MERCHANDISE WITH WOOD FIXTURES

***Home Store's china, glass** and silver department features glass shelves with wood frames.*

Types of fixtures used

	Total	Discount	Drug	Super-market	Depart-ment	Home Center	Specialty Apparel
Metal fixtures	85.1%	80.0%	94.4%	100.0%	85.7%	66.7%	85.0%
Shelving	76.9	80.0	66.7	76.2	85.7	76.2	75.0
Laminate	76.9	65.0	77.8	90.5	90.5	57.1	80.0
Gondolas	72.7	80.0	100.0	100.0	23.8	76.2	60.0
Wood fixtures	71.9	60.0	83.3	85.7	90.5	47.6	65.0
Small racks for accessories	67.8	80.0	61.1	57.1	90.5	52.4	65.0
Wall display units	66.9	70.0	72.2	61.9	85.7	47.6	65.0
Tables	63.6	65.0	72.2	52.4	90.5	38.1	65.0
Cases	51.2	65.0	50.0	57.1	90.5	9.5	35.0
Large racks for apparel	46.3	70.0	—	4.8	95.2	14.3	90.0
Glass cubes	42.1	60.0	38.9	4.8	81.0	14.3	55.0
Grid system	36.4	50.0	27.8	33.3	47.6	14.3	45.0
Showrooms	19.8	10.0	11.1	—	61.9	28.6	5.0
Mirrors	3.3	—	11.1	—	—	—	10.0
Rounders	3.3	—	5.6	—	—	—	15.0
Other	20.7	20.0	5.6	23.8	4.4	33.3	35.0

Note: Totals more than 100% due to multiple responses
Source: *Chain Store Age Executive*/Leo J. Shapiro & Associates

When Tucci, Segrete & Rosen (TSR) set out to select fixtures for Gonzalez Padin's new 18,800-sq.-ft. Home Store in the Plaza Las Americas Mall in Hato Rey, Puerto Rico, it had in mind a warehouse appeal that is refined.

The store sells basically housewares, table top, gifts and accessories. The challenge was to present flatware, china, crystal, bedding and bath in the most eye-catching manner. It also has a department for consumer electronics, including, television, stereos and records.

At first, according to Stephen B. Joseph, vp and project manager for TSR, an interior architectural and consulting firm, he shopped at a manufacturer of warehouse fixtures. "We were looking for a modular concept." But after due consideration, ". . .the fixtures that were available to us we chose based on aesthetics, which is how we ended up with wood." The supplier was Newood Display Fixture Manufacturing Co., Eugene, Ore.

The concept that the Home Store has is, "We've got what you want, all under one roof." Although the self-service Home Store is not a discounter, its vast inventory increases the consumer buying power, significantly increasing sales.

Some of the fixtures are finished in white and some in black, depending on the area, says Joseph. "We just opened a second store in Mayaguez Mall," he says. It's identical except for the plan configuration. "It's a prototype we developed for them, and we will continue to roll it out. We have another on the books that will be opening next year in Ponce as part of their full-line department store."

He explains that the reason the firm went to a manufacturer of stockroom fixtures first was that was the type of look it wanted. But, Joseph adds, the Newood fixtures were comparable and less expensive for the same look.

For table linens, the firm was able to put plexiglass lips on the shelves and tilt them. "There was a certain flexibility within the fixture itself that made them more desirable," he says.

Some of the fixtures have glass shelves and some wood shelves. It depends on where the fixtures were used. In china, glass and silver, where it needed a little more lightness and it wanted the light to travel through the fixture, it used glass shelves with wood frames.

Before the fixtures were actually ordered, TSR had a prototype made and sent to the store where it did a small amount of testing to make sure it was what the firm wanted.

Because the store is self-service, shopping carts are offered to customers as an added convenience. Wide open aisles and display areas enhance the shopping cart concept and its added convenience.

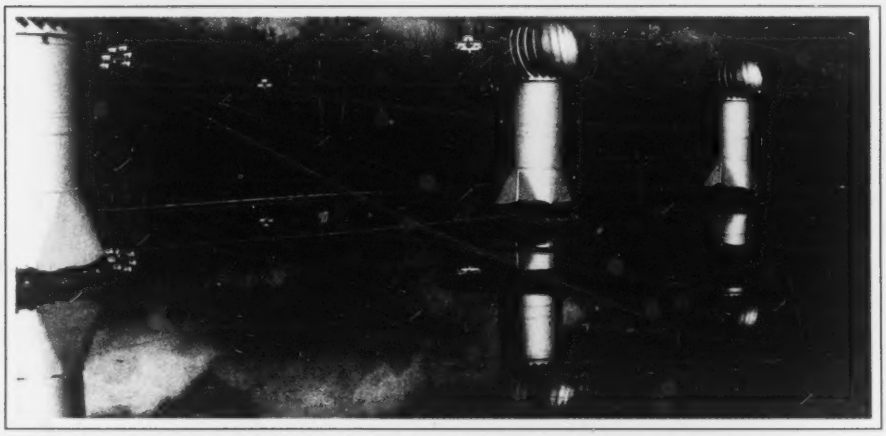
The open plan solution provides

great visibility and accessibility for the customer, yet remains flexible enough to adapt to market trends. Trend areas integrated along the main aisles highlight specific categories, inviting the customer down secondary aisles, ultimately leading to colorful display along the perimeter.

Using a combination of fluorescent and incandescent lighting, focal areas are accentuated, crystal sparkles and true colors are enhanced. ■

HOW NOT TO BUILD A ROOF

CONSULTANT GIVES ADVICE ON DO'S AND DON'TS



***Poor drainage systems will often** cause the roof to collect enough water to be a swimming pool.*

Types of roofing used

	Total	Discount	Drug	Super-market	Depart-ment	Home center	Specialty apparel
Single-ply membrane	50.0%	55.0%	29.4%	76.2%	57.1%	57.1%	12.5%
Bur (built-up roof)	47.4	40.0	35.3	71.4	52.4	47.6	31.3
Metal	21.6	—	5.9	28.6	9.5	76.2	—
Fabric	3.4	—	5.9	14.3	—	—	—
Four-ply	0.9	5.0	—	—	—	—	—
Other	11.2	5.0	—	9.5	9.5	33.3	6.3
Not answering	24.1	20.0	47.1	4.8	14.3	9.5	62.5

Note: Totals more than 100% due to multiple responses
Source: *Chain Store Age Executive*/Leo J. Shapiro & Associates

Lyle D. Hogan scampers up the ladder leading to the roof of the Kmart store in a shopping strip on the outskirts or High Point, N.C., and throws open the hatch.

Once on the roof, he uses the tip of his umbrella to point out the seams in the one-ply polyvinylchloride (PVC) membrane covering the existing built-up roof.

A PVC, one-ply system, was selected, he says, since bituminous membranes over existing built-up roofs are seldom plausible.

He adds that weldable lap splice afforded by a thermoplastic sheet was desired rather than the glue line that thermoset products mandate. He says he also recommended that the membrane be supported on weft-inserted reinforcing scrim for outstanding tear resistance, which lap-attached roofs need.

He points out that on his recommendation, the roofing contractor used PVC over the sheet metal extension barriers, so that they could be lockstripped or heat sealed tightly with the rest of the roofing material.

Hogan, one of about only 70 certified roof consultants in the United States today, is the senior roof engineer for Trigon Engineering Inc., Greensboro, N.C., a firm that's been in business since 1983. His advice as a disinterested, third-party roofing consultant is sought so often, he spends much of his time traveling or assigning one of his staff to on-site locations either as a consultant or quality control inspector.

Depending on the job, his services are required before, during or after the installation of roofs on major buildings, such as retail stores, office buildings or wares. He says 80% of his time is spent on existing roofs.

Hogan says, "We're still making the same mistakes we did 11 years ago."

This particular Kmart was built in 1981, for instance, and developed leaking problems almost immediately. For seven years the owners did interim patchwork, but finally Hogan was called in.

"Even a blue chip client may be reluctant to authorize funds to reroof his facility when at the same time he needs to replace plant equipment," says Hogan. He can calculate return on investment for other expenditures, he explains, but he cannot do the same for his roof.

"If the roof project is executed instead of equipment upgrades, you will have to argue points of payback period for new insulation, reduced insurance cost for fire and wind code compliance and longer life expectancy with drainage improvements."

Eventually Hogan discovered that the Kmart had a complaint with the roofing contractor and not the general contractor.

Neither he nor his firm are general or roofing contractors. As a roof consultant, or a specifier of roof systems, he attempts to generate a competitive bidding atmosphere.

"The bid spread is cruel," he says, "but an accurate barometer for analyzing how well the specifier has defined the scope of work. Clearly defining the scope of work and soliciting appropriate unit prices serve to lower the quotes prices received."

The consultant usually works for the building owner. This owner, Hogan says, has legal and binding documents to govern the work which was prepared in his interest. "Warranties and proposals tend to serve those who authored the documents."

On the subject of warranties, Hogan is very leery. When he wants to engage a roofing contractor, he first runs a financial check on the company and learns how long it's been in business. It doesn't make sense for a six-year-old company using a four-year-old material to issue a 15-year warranty, he says.

Hogan says there are three phases in roof consulting. Phase one is studying the roof, identifying the problem and coming up with estimates of the cost or repairing or replacing a roof. Phase two is generating competitive bidding by getting a number of contractors in a room and explaining what is expected of them. Phase three is doing a quality control inspection during and after the project. At this point, he usually assigns a person on his staff to stay at the site for as long as it takes to complete the job.

He notes that a well-prepared bid package, which specifies insulations, fasteners and membranes, reduces the contractor's liability in the event of product/system failure for reasons other than workmanship.

Trigon is equipped to test various materials under all sorts of weather and heat conditions. This is applied to Hogan's work in forensic studies of roofs. Through his experience and testing techniques, he has learned the art of how **not** to construct roofs.

He offers a quick list of causes of roof failures:

- Bad fasteners. He has a whole drawer full of fasteners that have corroded at critical points, or bend because of atmospheric conditions.
- Lap failures because of faulty splicing, leaving little tunnels under the membrane which permit water or wind to tunnel under the roof.
- Roofing materials. Some of it tends to shrink in the wrong atmosphere.
- Poor drainage systems will often cause the roof to collect enough water to be a swimming pool. One problem is clogging of the drains with leaves and other debris. Another problem is setting the drainage duct to sit atop a heavy beam. As the roof sags under the weight of the water, the duct remains at the same level so that the water can't reach it.
- Natural phenomenon such as weather and wind.
- Building construction. The problem is not always a roofing one.
- Ballast. Often gravel or heavy stones are used to hold down the membrane material. Sometimes a contractor can put gravel that weighs 90 pounds a square foot into a an area built to accommodate only 28 pounds per square foot. Also, he has found that winds of 46 miles per hours can easily tumble heavy stones on a roof.

"The wind causes the demise of shoddy roof construction," Hogan says. It attacks the corners, the perimeters and the general field of the roof. "It's physically impossible to blow a roof off unless the wind gets under it."

Often Hogan is asked basic questions like, "How long is the roof going to last?" or "What's the best roof?" There are no general answers, he says. It depends on where in the United States the building is located, what the interior requirements of the building are (is it a refrigerated warehouse?), wind zone, and insurance requirements.

He spends about 20% of his time working as an expert witness in lawsuits over problem roofs. "About 75% of post-construction litigation is roof-related," he says.

His advice is not to appear as an expert witness unless the consultant really is an expert. "Walk away from any such confrontation unless your experience lends itself to good testimony."

Before he climbs down the ladder in the Kmart store, Hogan summarizes his job: "The ideal consultant must be part educator, part psychologist, part value engineer, part technician, part communicator, part attorney, part valued friends, all at competitive wages." ■

—Stanley H. Slom

***Service work is subcontracted** by Carrier to its national network of authorized service agents.*

HVAC SERVICE PROGRAM
QUICK RESPONSE TIME IS KEY ADVANTAGE

The repair and maintenance of HVAC equipment is less troublesome and time-consuming than it once was for The 5-7-9 Shops. The St. Louis-based apparel retail chain has consolidated responsibility for heating and cooling upkeep in all of its stores east of Illinois with a national service contractor. After a successful first year test run, 5-7-9 has signed on for a second year with the Carrier Service Network.

"We are very pleased with the program—it has saved us time and money," says Skip Fitzpatrick, construction associate, The 5-7-9 Shops. A division of Edison Brothers Stores, 5-7-9 operates some 400 stores nationwide.

One of the main advantages of the service program, Fitzpatrick says, is quick response time. Carrier has set up an 800 telephone number for 5-7-9 shops to call for an HVAC-related problem. The service work is subcontracted by Carrier to its national network of authorized service agents in the areas where the stores are located.

"All the store person has to do is

make the initial call to the 800 number and Carrier takes over," says Fitzpatrick. "We don't have to go through the home office and wait for someone to get back to you. The response time is very good. And that is extremely important to us, especially in the summer months when any drop in air-conditioning power is immediately noticeable."

Quick response time also translates into less wear and tear on damaged equipment.

"Running damaged or malfunctioning equipment can turn what was originally a small repair job into a major repair job," Fitzpatrick says. "The quicker the response, the more you save on equipment and parts costs."

Different sources: Prior to signing on with Carrier, 5-7-9 contracted out HVAC maintenance and repair to a number of different sources. With nearly 50 different companies servicing its stores, it was sometimes hard for the company to keep track of HVAC operations.

"We had so many people servicing our stores that sometimes it was hard to keep track of who was responsible for what," Fitzpatrick explains. "The service program has made things a lot easier for us. Now we don't have to remember who takes care of a certain store."

Under the terms of its contract with Carrier, 5-7-9 Shops pay a quarterly fee which translates into about $300 per store per year. The sum covers all preventive maintenance work. The retailer pays for emergency repair or anything above and beyond upkeep or preventive maintenance.

"The program is well worth the cost," says Fitzpatrick. "Having one convenient source for all of our heating and cooling upkeep and repair saves us time and money."

The specifics of Carrier's service network program vary by chain. Some companies may opt for a quarterly maintenance program, while others only require a twice-yearly program.

"The program fee reflects the frequency of the service requested as well as the scope of the work being performed," explains Bill Sjovall, sales manager, national service network, Carrier. "Both vary account by account."

Program costs also reflect the quantity or amount of equipment at each given store, Sjovall adds.

Customers are invoiced on a monthly basis by Carrier for any repair work above or beyond the contracted maintenance calls. Typically, each account sets a monetary threshold for emergency service calls. If the work required is under the set limit, the contractor is authorized to proceed on site. If the price exceeds the limit, the contractor reports back to Carrier who, in turn, contacts the retailer.

"As a single point of contact for national service, we minimize the legwork for retailers," Sjovall adds. "By assuming the responsibility for HVAC maintenance and repair, we give the retailer more time to do other things."

Regardless of whether an account has 20 stores or 200 stores, Sjovall adds, the benefits of a single-source HVAC contractor are the same.

"It helps retailers save time and enables them to run their businesses more effectively," Sjovall explains. "And by providing preventive maintenance on a regularly scheduled basis, we can alert an account to a potentially-damaging operating problem before it reaches a critical stage." ■

***Pioneer Eclipse's line of** floor maintenance products helps keep Sawgrass Mills floors in shape.*

KEEPING A BIG FLOOR CLEAN

REGULAR MAINTENANCE KEEP FLOORS IN SHAPE

Caring for more than 200,000 sq. ft. of predominantly maplewood floors could have been an expensive and time-consuming process for Edward Gonzalez, former maintenance manager of Western Development's two million-sq.-ft. Sawgrass Mills in Sunrise, Fla.

The process has been made easier by the use of Sparta, N.C.-based Pioneer Eclipse's lines of floor maintenance products. The center has used the lines since its October 1990 opening.

The system also is used at other large centers such as Western's Franklin Mills in Philadelphia and West Edmonton (Alberta) Mall.

The biggest maintenance challenge, Gonzalez says, is "floor traffic. The amount of customers who come in here really wear it down. We end up waxing each section maybe twice a week."

Regular cleaning and burnishing also are vital to keep the floors' finish attractive.

"They need a system to keep the scuffs off the floor and get the shine back every day. So we used the Simplicity system in there," says J. R. Haines, regional sales manager of Pioneer Eclipse.

"It's a high-speed thermal system with an autoburnish that's a restoring program—cleaning and burnishing on alternate days," Haines says.

The center alternates Eclipse Neutral Cleaner with Extend Auto-Burnish.

The Neutral Cleaner is a low pH all-purpose formula used to prepare floors for refinishing or restoration, diluted by using one ounce in each gallon of water. The cleaner can be mopped on or applied with an auto-

matic scrubber. Extend Auto-Burnish is a liquid one-step cleaner and restorer.

Waxing is done less often, depending on need, Gonzalez says.

"We use the Equinox floor wax depending on the floor. We can't say we use it every week or every three days. It depends on the section we're doing and how much wear it gets and how dull it is," Gonzalez says.

Equinox is a metal crosslinked thermoplastic quadra polymer that reduces the need for recoating and buffing.

Slip/fall is not an issue, Haines says. "The products are UL-approved for slip resistance, and enhances the slip resistance of the floor. When urethanes get real, real hard, they have a tendency to get slick. With our program, we keep it soft enough to keep the slip resistance."

The products are applied with either the Pioneer 2100 Superbuffers or Pioneer 2800 Superbuffers. The 2100 model features a 2,000 rpm propane engine, push button starter, automatic belt adjustment and 360° Flexi-Swivel front end. The 2800 model features a larger pad to cover 77% more area.

Maintenance is done when the center is closed, with varying lengths of time needed to complete each process.

"You can do 20,000 sq. ft. an hour if you're just doing the cleaning process," says Richard Carr, marketing manager of Pioneer Eclipse.

With large spaces, this speed can be vital. "We have four big sections. Waxing one section would take us the whole night, eight hours. You have to dust mop, then scrub to get all the dirt off, then wait until the floor dries to wax," Gonzalez says.

If waxing isn't needed, the entire mall can be mopped and burnished overnight.

The process is done over two shifts. The first, from 5 p.m. to 1:30 a.m. does preliminary work for the six-person floor care crew that comes in at 9 p.m.

"The first crew does an enormous amount of work for them, dust mopping and scrubbing. So we actually have from six to 20 people working on floor maintenance," Gonzalez says.

While costs vary, Carr estimates that the average maintenance price comes to about 34 cents or 35 cents per square foot per year.

The cost is well worth the price.

"They all want a shiny floor for their storefronts," Carr says. ■

TARGET LOWERS ENERGY COSTS

PROGRAM BOOSTS EFFICIENCY, ENHANCES DISPLAY

Lighting retrofits that reduce energy use can take a heavy toll on store appearance. But just the opposite has occurred at Target Stores.

A retrofit featuring energy efficient fluorescent lamps and electronic ballasts has improved illumination levels and overall store appearance for the discount retailer. Equally important, the new system has reduced Target's energy costs by about $1.5 million annually.

"In addition to the actual reduction in energy costs, we received about $100,000 in rebates from utility companies in Wisconsin, Minnesota and Texas, which added to our savings," says Brian Guilbault, energy manager, Target Stores. Headquartered in Minneapolis, Target operates 420 stores in 32 states.

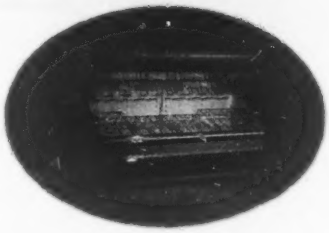
The $1.5 million energy savings generated by the retrofit includes electricity for lighting and cooling. The electronic ballasts (MagneTek Triad) featured are designed to lower power requirements and cut energy costs by using electricity more efficiently.

While standard ballasts require 166 input watts with four energy efficient lamps, electronic ballasts require just 114 watts for a savings of 52-watts per unit. In effect, the electronic ballasts produce the same amount of light from fluorescent lamps but use significantly less power.

Fewer input watts enable the electronic ballasts to operate 30°F cooler than the standard ballasts. The cooler operating temperature means less heat produced in each store which results in lower air-conditioning costs and reduced peak-load demands.

"Lighting and air conditioning generally constitute most of a store's electrical load," says Guilbault. "The Triad

CASE STUDY



+

KYSOR/WARREN

=

QUALITY

Quality. It's a popular word these days. And frankly, we're glad to see so many people promoting its virtues. For us at Kysor/Warren however, it's not a new concept. Every case we've built from all the things we use, from parts to paint, is all of the highest quality obtainable. It's the way we've always worked. And the way we will continue to work. Building the very best cases we can.

KYSOR / WARREN

We build a strong case for quality.

For more information circle 36 on reply card

Target's retrofit features energy efficient fluorescent lamps which have improved illumination levels.

ballasts have a positive effect on both. In addition to using less electricity, the ballasts put less of a demand on our air conditioning system."

Improved quality: While Target initiated the retrofit program to reduce energy consumption and increase energy efficiency, it also used the system to improve overall store appearance. The retailer made it a priority to chose lighting elements that would not only reduce energy costs, but would also enhance merchandise presentation.

"The new lighting system has improved the overall shopping environment," Guilbault says. "It effectively illuminates the sales area of each store and has eliminated dark aisles due to better light uniformity."

The high-frequency operation of the electronic ballasts has also eliminated the noise caused by metal halide ballast hum, the energy manager adds. "In addition, it has eliminated the 10-minute re-start waiting period required with metal halide lamps after a power failure," he says.

Test: Before rolling out the new system, Target first undertook a trial retrofit in one store. It converted 400-watt metal halide lamp fixtures to fluorescent fixtures using the MagneTek Triad electronic ballasts and Sylvania Octron lamps.

"Before making a large commitment, we had to determine the economics of converting a metal halide illuminated store to one with fluorescent lighting," Guilbault explains. "We wanted to see if the retrofit would actually result in an energy savings."

The trial store also gave Target the opportunity to test the reliability of both the lamps and the electronic ballasts.

"In addition, it allowed us to determine the best design in terms of cost, uniformity of light and quantity of light," adds Guilbault.

Based on the success of the initial test store, the retailer made the decision to roll out a large-scale retrofit program in its metal halide illuminated stores.

To date, the system has been installed in approximately 60 stores at an average of 750 electronic ballasts per store. All told, Target has installed more than 160,000 lamps (Sylvania Octron in 2-by-4 and 2-by-2 deep cell parabolic fixtures).

"The retrofit has gone very smooth with virtually no problems," says Guilbault. "We have about 35 more stores left to do."

As a result of the success of the retrofit program, Target is installing the energy efficient lamps and electronic ballasts in new stores under construction.

"We believe that a single electronic ballast driving four lamps is a major positive economic factor," Guilbault says. "The retrofit has significantly improved the lighting environment in our stores and provided very high savings at an excellent return on investment." ■

HARDWOOD FLOORS RETURN

NEW MAINTENANCE TECHNIQUES SPUR COMEBACK

For years, many retailers shied away from hardwood floors. Carpets were easier to replace, easier to maintain, and avoided slip/fall problems.

Times may be changing. Due to advances in maintenance and a growing environmental concern, the hardwood floor is making a comeback, says Gary Reynolds, president of Aurora, Colo.-based floor product manufacturer BonaKemi USA.

"It started about two or three years ago with retail stores, and even earlier with some of the malls," he says.

The change is due to a simple technical progress that makes hardwood floors more practical, he explains.

Types of flooring used

	Total	Discount	Drug	Super-market	Depart-ment	Home Center	Specialty Apparel
Vinyl	77.7%	65.0%	77.8%	100.0%	71.4%	66.7%	85.0%
Concrete	62.8	60.0	38.9	90.5	42.9	85.7	55.0
Carpet	57.0	65.0	27.8	14.3	100.0	33.3	100.0
Quarry tile	33.9	30.0	16.7	38.1	66.7	9.5	40.0
Hardwood	28.1	25.0	22.2	4.8	61.9	—	55.0
Marble	24.0	5.0	—	4.8	81.0	—	50.0
Terrazzo	20.7	25.0	16.7	19.0	28.6	4.8	30.0
V.C.T./VC Tile/vinyl tile composition	14.0	10.0	16.7	14.3	—	28.6	15.0
Ceramic tile	14.0	20.0	16.7	—	23.8	4.8	20.0
Vat	0.8	—	—	—	—	4.8	—
Other	7.4	5.0	—	28.6	—	4.8	5.0
Not answering	0.8	—	5.6	—	—	—	—

Note: Totals more than 100% due to multiple responses
Source: *Chain Store Age Executive*/Leo J. Shapiro & Associates

Lacquers, shellacs and varnishes did not wear well, and recoating was a long and malodorous process. Using a wax and stain finish usually resulted in slip/fall problems.

That doesn't happen with the new finishes. "You never hear anyone say, 'Wax my floor,'" Reynolds says.

Maintenance, not usage, has always been the major problem. Finishes took a long time to dry, adding to installation time and costs. After installation, coatings could change color, and required constant upkeep which often did more harm than good.

"Most hardwood floors are not ruined by traffic. They're usually ruined by improper maintenance. You don't take out a mop and bucket to care for a fine antique, nor should you care for a hardwood floor that way," Reynolds says.

The company produces maintenance products for its finishes that can now cost-effectively keep wood floors attractive.

"A bottle of product in the $7 to $10 range would do an area of 2,000 sq. ft. once a month for a year," he says.

Even larger users such as regional malls can now use hardwood where they may not have before.

"You don't have to do the whole floor, you can do it in sections, and only the sections that require maintenance get it," Reynolds says. Since the new finishes don't turn amber over time, patch repairs can be done without the work being detected.

Wood can be safer than carpet environmentally, as well. Newly installed carpeting may emit toxic chemicals from dyes, synthetic fibers, padding or installation adhesives. The carpets themselves also can hold allergens such as dust and mold.

"You can clean the floor and take it all the way to the surface. You can't do that with carpet, and that's where the entrapment takes place," Reynolds says.

Not all considerations are environmental. Hardwood also can give a more homey feel, notes Ralph Parone, director of store planning for Hingham, Mass.-based Talbot's.

"Our basic design philosophy is to give a residential, warm, comfortable feel. We're a New England-based company, and the maple floors we utilize have a connotation of the Shaker influence," Parone explains.

The new ease in installation and maintenance was a consideration.

***Maintenance improvements** have brought back the allure of the hardwood floor.*

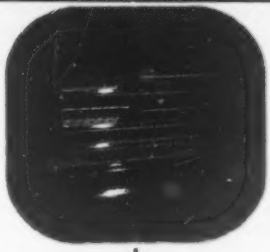
"In our business you don't have much time at the end, and flooring is the last thing to be done. The overnight or two-to-four hour drying time made it a lot more practical and shortened construction time by about a week," Parone says.

Reynolds adds that wood flooring is suitable for about every retail type.

"If you have an entry where you're tracking in a lot of grit or a lot of moisture—coming off the street or a sandy beach into a store—it would not be a good application," he says.

"All the concerns people had in the past about hardwood floors have all been answered by the new and improved finishes," Reynolds says. ■

CASE STUDY



+

KYSOR/WARREN

=

QUALITY

Have you taken a close look at a Kysor/Warren SERIES 2500 case? Well we have. And we do every day. At least 7 times per case. Now that may seem like a lot of inspections. But to us at Kysor/Warren, it's all part of an attitude we maintain every day. And will continue to maintain. We call it "attention to detail." And it's what helps us continue to build a line of cases that sets industry standards.

KYSOR / WARREN

We build a strong case for quality.

For more information circle 37 on reply card

CHOOSING THE RIGHT SIGNAGE
FOCUS ON WHAT'S IMPORTANT TO YOUR CUSTOMERS

When planning signage in a store it's important to do it in moderation.

"You have to pick out what's important and what's not," explains Sue Stanley, corporate visual merchandising director of the 186-unit Little Rock, Ark.-based Department Stores Inc. In 1991 the chain plans to open 10 stores.

"Don't get redundant," she says. "Don't put too much up because too much is the same as not enough. You don't have the customers' attention forever when they come into a store. What you have to do is pick and choose what is important to tell your customers. You have to tell them what they need to know and what they want to know without overkill."

Dillard's, Stanley says, is putting a lot of emphasis on signage. The chain gets its signage from Ad-mart International, Danville, Ky.

Basically, the chain classifies its signage into three categories: location, vendors and merchandise.

"We feel all aspects are important customer service, just in keeping the customer aware of what we're doing," says Stanley.

Location signage includes perimeter and interior signs and is used to identify major departments, such as women's or men's wear.

This is done by valance overhangs before each area. The stores have drops and architectural 5-in.-to-6-in. three-dimensional letters laminated with plastic or metal.

Comments Jeannette Davis, president of Ad-mart: "Lettering is often thought of as mundane, an undesirable necessity. In truth lettering is an art form that can be used to bring a space to life. Words can communicate one meaning while the typeface, weight, size, color, texture and readability carry many messages."

The second classification of signage is vendor signing. "Dillard's is a very brand conscious retailer," explains Stanley. "Our customers are very brand conscious." Thus, the chain makes a point of identifying its major vendors. In some cases, these are three-dimensional letters that are placed on some architectural elements like a feature wall or a key wall or a valance line.

She said, for instance, that the chain identifies a brand like Liz Claiborne, whether the merchandise is apparel or accessories, with the Claiborne logo typeface duplicated in a three-dimensional letter.

In cosmetics, the chain has three-dimensional slanted letters that are used in the front of the cases to identify each major vendor.

There are also signs combined with special lighting to identify specific shops such as Ralph Lauren.

The third part of the signage assortment is point-of-sale or merchandise signs, she says. The signs can be on specific racks. Some identify merchandise that is offered in the chain's catalogs or newspaper ads. Marked down merchandise is also identified.

"We keep that kind of signage very clear, very concise and very simple," she says. "The customer will take about three seconds flat to read that type of merchandise sign. We try to keep that to a bare minimum of information."

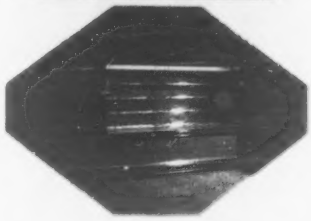
Another type of merchandise signage is used almost exclusively in electronics. It's called a silent salesman and explains a lot of features in the merchandise that is not obvious.

"We have a large sales staff in that area, but still we feel like we need to give certain classifications of merchandise product information to the customer."

Usually, the chain tries to tie its signage in with a specific area throughout the department.

"Overall, we try to stick with some consistency with vendor logos," Stanley says. She adds that the chain uses a specific size throughout the store. It is placed at one height in the same location of each area, even though it may vary a little as far as color is concerned. "We want to make it as easy for the customer as possible," she says. "We want them to be able to identify and to get used to it as a pattern." ■

CASE STUDY



+
KYSOR/WARREN
=
QUALITY

Let's say you wanted to manufacture a frozen food case. Not just any frozen food case mind you, but the best case possible. How would you do it? Wouldn't you start with the best parts and components? And an assembly system that's second to none? Would you not dip prime and bake every painted part? And have numerous, stringent inspections all along the way to keep the quality consistent? Well, you've just been introduced to Kysor/Warren.

KYSOR / WARREN

We build a strong case for quality.

For more information circle 39 on reply card

REVENUES

	1st qtr. (000 omitted)	% change	YTD (000 omitted)	% change
CATALOG STORE CHAINS				
J.C. Penney	3,433,000	– 2.7	3,433,000	– 2.7
Sears, Roebuck & Co.	6,626,200	– 3.1	6,626,200	– 3.1
Sharper Image	25,142	–27.5	25,142	–27.5
Williams-Sonoma	63,638	+12.3	63,638	+12.3
DEPARTMENT STORE CHAINS				
Carter Hawley Hale	430,116	–27.2	430,115	–27.2
Dillard	886,009	+19.3	886,009	+19.3
Gottschalks	62,924	+19.7	62,924	+19.7
Jacobson's	90,831	+ 1.0	90,831	+ 1.0
R.H. Macy[3]	1,385,551	– 6.8	5,127,886	– 9.0
May†	2,313,000	+ 6.5	2,313,000	+ 6.5
Mercantile	521,746	+ 5.6	521,746	+ 5.6
Neiman Marcus Group[3]	392,326	+ 5.8	1,357,796	+ 3.6
Nordstrom	610,603	+10.0	610,603	+10.0
Strawbridge & Clothier	207,092	– 1.0	207,092	– 1.0
DISCOUNT STORE CHAINS				
Ames	670,293	–32.1	670,293	–32.1
Consolidated	157,808	+12.7	157,808	+12.7
Dayton Hudson*	3,349,000	+11.4	3,349,000	+11.4
Dollar General	148,302	+10.9	148,302	+10.9
Hills	324,860	–28.3	324,860	–28.3
Jamesway	173,942	– 7.0	173,942	– 7.0
Kmart	7,706,400	+ 8.5	7,706,400	+ 8.5
Fred Meyer	766,842	+ 9.1	776,842	+ 9.1
Pamida Holdings	140,831	+ 1.4	140,831	+ 1.4
Pic 'N' Save	110,025	– 7.5	110,025	– 7.5
Rose's	322,835	– 8.6	322,835	– 8.6
Stuarts	21,783	–31.0	21,783	–31.0
Tuesday Morning	18,974	+19.0	18,974	+19.0
Venture	314,813	+ 8.8	314,813	+ 8.8
Wal-Mart	9,280,570	+37.1	9,280,570	+37.1
SHOE/SPECIALTY CHAINS				
Brown Group	422,305	– 3.7	422,305	– 3.7
Edison Bros.	299,800	+20.9	299,800	+20.9
Melville	2,046,439	+26.5	2,046,439	+26.5
Woolworth	2,127,000	+ 3.0	2,127,000	+ 3.0
APPAREL CHAINS				
Banker's Note†	8,036	–23.3	8,036	–23.3
Charming Shoppes	222,870	+16.2	222,870	+16.2
Deb Shops	46,675	+ 9.7	46,675	+ 9.7
Designs	23,986	+22.6	23,986	+22.6
The Gap	490,300	+21.9	490,300	+21.9
Paul Harris[4]	46,632	– 5.5	230,543	– 3.4
The Limited	1,284,482	+16.0	1,284,482	+16.0
Merry-Go-Round	157,236	+30.0	157,236	+30.0
Petrie	318,273	+ 5.6	318,273	+ 5.6
Wet Seal	23,825	+14.6	23,825	+14.6
OFF-PRICE APPAREL CHAINS				
Burlington Coat Factory[3]	206,784	+27.5	751,490	+14.5
Dress Barn[3]	82,255	+16.4	237,763	+14.1
Filene's Basement*	99,883	+12.6	99,883	+12.6
One Price Clothing	23,182	+ 6.5	23,182	+ 6.5
Ross	198,641	+17.1	198,641	+17.1
S & K	16,567	+10.2	16,567	+10.2
TJX	603,291	+17.4	603,291	+17.4
50-Off Stores	27,444	+77.0	27,444	+77.0
WAREHOUSE WHOLESALE CLUBS				
Office Depot	226,164	+58.6	226,164	+58.6
Costco[3]	1,192,195	+25.8	3,561,563	+29.0
Staples*	104,907	+65.2	104,907	+65.2
Waban	616,850	+13.0	616,850	+13.0
Warehouse Club[2]*	56,514	– 7.5	126,767	– 5.3

EARNINGS

	1st qtr. (000 omitted)	% change	YTD (000 omitted)	% change
CATALOG STORE CHAINS				
J.C. Penney	80,000	– 48.1	80,000	– 48.1
Sears, Roebuck & Co.	(14,100)	NA	(14,100)	NA
Sharper Image	(3,521)	NA	(3,521)	NA
Williams-Sonoma	94	– 79.0	94	– 79.0
DEPARTMENT STORE CHAINS				
Carter Hawley Hale	(32,391)	NA	(32,391)	NA
Dillard	38,119	+ 29.7	38,119	+ 29.7
Gottschalks	395	+ 54.9	395	+ 54.9
Jacobson's	1,272	+ 12.5	1,272	+ 12.5
R.H. Macy[3]*	(116,373)	NA	(190,372)	NA
May†	76,000	– 5.0	76,000	– 5.0
Mercantile	24,381	– 14.2	24,381	– 14.2
Neiman Marcus Group[3]	(7,326)	NA	17,377	– 49.5
Nordstrom	25,657	+ 94.8	25,657	+ 94.8
Strawbridge & Clothier	212	– 93.1	212	– 93.1
DISCOUNT STORE CHAINS				
Ames	(47,792)	NA	(47,792)	NA
Consolidated	(834)	NA	(834)	NA
Dayton Hudson*	34,000	– 41.4	34,000	– 41.4
Dollar General	1,172	+200.5	1,172	+200.5
Hills	(21,974)	NA	(21,974)	NA
Jamesway	(3,490)	NA	(3,490)	NA
Kmart	107,500	+ 7.4	107,500	+ 7.4
Fred Meyer	8,022	+ 30.6	8,022	+ 30.6
Pamida Holdings	(1,958)	NA	(1,958)	NA
Pic 'N' Save	4,762	– 19.8	4,762	– 19.8
Rose's	(538)	NA	(538)	NA
Stuarts	(623)	NA	(623)	NA
Tuesday Morning	(1,356)	NA	(1,356)	NA
Venture	3,709	+ 80.9	3,709	+ 80.9
Wal-Mart	306,953	+ 21.1	306,953	+ 21.1
SHOE/SPECIALTY STORE CHAINS				
Brown Group	3,870	– 55.7	3,870	– 55.7
Edison Bros.	8,900	+ 18.7	8,900	+ 18.7
Melville	(2,363)	NA	(2,363)	NA
Woolworth	13,000	– 65.8	13,000	– 65.8
APPAREL CHAINS				
Banker's Note†	41	– 85.2	41	– 85.2
Charming Shoppes	10,335	+ 48.2	10,335	+ 48.2
Deb Shops	623	– 4.2	623	– 4.2
Designs	(973)	NA	(973)	NA
The Gap	40,913	+ 93.4	40,913	+ 93.4
Paul Harris[4]	(5,889)	NA	(30,546)	NA
The Limited	50,860	– 18.4	50,860	NA
Merry-Go-Round	8,695	+ 31.5	8,695	+ 31.5
Petrie	9,534	+ 28.1	9,534	+ 28.1
Wet Seal	673	– 39.9	673	– 39.9
OFF-PRICE CHAINS				
Burlington Coat Factory[3]	1,062	NA	23,792	– 17.7
Dress Barn[3]	4,276	+ 8.0	10,236	+ 0.9
Filene's Basement*	2,821	+ 29.1	2,821	+ 29.1
One Price Clothing	(640)	NA	(640)	NA
Ross	2,022	+ 29.0	2,022	+ 29.0
S & K	544	+ 11.4	544	+ 11.4
TJX	14,819	+ 1.7	14,819	+ 1.7
50-Off Stores	2,821	+ 29.1	2,821	+ 29.1
WAREHOUSE WHOLESALE CLUBS				
Office Depot	4,447	+ 53.1	4,447	+ 53.1
Costco[3]	16,845	+209.9	52,383	+ 92.0
Staples*	168	– 91.1	168	– 91.1
Waban	4,396	+210.7	4,396	+210.7
Warehouse Club[2]*	(366)	NA	(366)	NA

N/A = not applicable because of loss in either current or comparable period
N/C = no change
*before extraordinary items or changes in accounting principles
†continuing operations only
[1]first quarter figures
[2]second quarter figures
[3]third quarter figures
[4]fourth quarter figures
Source: Company reports

REVENUES

	1st qtr. (000 omitted)	% change	YTD (000 omitted)	% change
HARD LINES CHAINS				
Best Buy[4]*	215,746	+11.7	664,823	+21.2
Blockbuster Entertainment	176,788	+27.0	176,788	+27.0
Circuit City*	562,184	+14.7	562,184	+14.7
Claire's	55,937	+ 4.5	55,937	+ 4.5
Fabri-Centers	99,291	+24.0	99,291	+24.0
Fretters*	55,447	+31.1	55,447	+31.1
Highland Superstores*	170,101	- 8.2	170,101	- 8.2
House of Fabrics	101,231	+17.1	101,231	+17.1
Lechters	40,786	+23.0	40,786	+23.0
Pep Boys-M,M,J	235,051	+10.3	235,051	+10.3
Pier 1 Imports[4]	175,060	+28.0	608,793	+17.8
Sound Advice[3]	24,700	+14.9	90,300	+32.2
Spec's Music[3]	14,187	+17.6	45,241	+22.4
Tandy[3]*	1,013,579	NC	3,604,603	+ 4.3
Tiffany & Co.	97,105	+ 4.2	97,105	+ 4.2
Toys "R" Us	1,025,655	+ 8.6	1,025,655	+ 8.6
Trans World Music	78,956	+11.4	78,956	+11.4
SUPERMARKETS				
Albertsons	2,160,211	+ 7.5	2,160,211	+ 7.5
American	5,411,583	- 0.2	5,411,583	- 0.2
Bruno's[3]*	704,320	+ 9.9	2,004,471	+10.5
Delchamps[3]	233,713	+ 1.0	727,820	+ 3.7
Eagle Food Centers	280,068	- 0.5	280,068	- 0.5
Giant Food	783,876	+ 1.9	783,876	+ 1.9
Hannaford Bros.	485,919	+23.4	485,919	+23.4
Ingles Markets[2]	260,014	+ 6.8	522,289	+ 7.0
Kroger*	4,907,131	+ 7.6	4,907,131	+ 7.6
Marsh[4]	245,851	+ 3.6	245,851	+ 3.6
Penn Traffic	663,775	- 4.8	663,775	- 4.8
Quality Food Centers	84,714	+15.8	84,714	+15.8
Ralphs Grocery	668,400	+ 7.7	668,400	+ 7.7
Safeway	3,400,400	+ 1.9	3,400,400	+ 1.9
Smith Food & Drug	532,922	+ 9.3	532,922	+ 9.3
Supermarkets General*	1,469,316	- 3.6	1,469,316	- 3.6
Village Super Markets[3]	169,124	+ 0.4	496,343	- 0.1
Vons[3]	1,223,300	+ 1.0	1,223,300	+ 1.0
Winn-Dixie[3]	2,389,637	+ 2.9	2,389,637	+ 2.9
CONVENIENCE STORES				
Dairy Mart	137,134	+ 2.4	137,134	+ 2.4
National Convenience[3]*	242,692	- 3.2	242,692	- 3.2
Uni-Marts[2]	61,884	+ 7.7	131,947	+14.8
DRUG STORES				
Arbor[3]	101,209	+22.2	301,381	+19.4
Big B	132,681	+ 8.0	312,681	+ 8.0
Drug Emporium[4]	182,426	+32.8	624,021	+26.9
Fay's	177,161	+15.6	177,161	+15.6
Genovese*	132,943	+ 3.4	132,943	+ 3.4
Longs	569,224	+ 5.9	569,224	+ 5.9
Perry[2]*	155,391	- 1.9	155,391	- 1.9
HOME CENTERS				
Grossman	148,340	- 5.5	148,340	- 5.5
Hechinger	392,509	+13.5	392,509	+13.5
Home Depot	1,186,890	+34.7	1,186,890	+34.7
Lowe's	693,351	- 3.8	693,351	- 3.8
NON-STORE RETAILERS				
Lands' End	126,517	+12.8	126,517	+12.8
QVC Network	192,169	+19.2	192,169	+19.2
Spiegel	447,684	+14.8	447,684	+14.8
Lillian Vernon[4]	47,705	+12.7	160,293	+ 3.6

EARNINGS

	1st qtr. (000 omitted)	% change	YTD (000 omitted)	% change
HARD LINES CHAINS				
Best Buy[4]	3,612	- 33.5	4,540	- 12.4
Blockbuster Entertainment	15,895	+ 18.2	15,895	+ 18.2
Circuit City*	8,021	- 23.7	8,021	- 23.7
Claire's	1,171	- 63.5	1,171	- 63.5
Fabri-Centers	1,428	+127.4	1,428	+127.4
Fretters*	89	NA	89	NA
Highland Superstores*	(22,371)	NA	(22,371)	NA
House of Fabrics	3,375	+ 56.7	3,375	+ 56.7
Lechters	352	+ 20.1	352	+ 20.1
Pep Boys-M,M,J	7,228	- 23.4	7,228	- 23.4
Pier 1 Imports[4]	(2,054)	NA	6,565	- 74.3
Sound Advice[3]	579	+ 10.1	2,600	+ 36.8
Spec's Music[3]	334	- 31.8	1,516	- 9.5
Tandy[3]*	44,988	- 15.2	190,346	- 18.5
Tiffany & Co.	4,557	- 16.3	4,557	- 16.3
Toys "R" Us	22,385	- 32.6	22,385	- 32.6
Trans World Music	(582)	NA	(582)	NA
SUPERMARKETS				
Albertsons	58,690	+ 14.6	58,690	+ 14.6
American	35,997	+ 28.9	35,997	+ 28.9
Bruno's[3]*	17,147	+ 10.9	51,068	+ 14.8
Delchamps[3]	3,529	+ 2.4	9,089	- 1.4
Eagle Food Centers	2,261	- 16.8	2,261	- 16.8
Giant Food	29,250	+ 2.8	29,250	+ 2.8
Hannaford Bros.	8,095	- 17.6	8,095	- 17.6
Ingles Markets[2]	2,780	+600.4	5,112	+ 69.0
Kroger*	10,782	NA	10,782	NA
Marsh[4]	1,888	+ 11.2	12,793	+ 19.3
Penn Traffic	(3,833)	NA	(3,833)	NA
Quality Food Centers	4,187	+ 33.9	4,187	+ 33.9
Ralphs Grocery	(3,700)	NA	(3,700)	NA
Safeway	26,700	+ 78.0	26,700	+ 78.0
Smith Food & Drug	10,406	+ 27.9	10,406	+ 27.9
Supermarkets General*	(8,659)	NA	(8,659)	NA
Village Super Markets[3]	469	- 37.1	1,101	- 66.3
Vons[3]	12,700	+ 54.9	12,700	+ 54.9
Winn-Dixie[3]	47,959	+ 14.1	121,439	+ 11.5
CONVENIENCE STORES				
Dairy Mart	(337)	NA	(337)	NA
National Convenience[3]*	(6,300)	NA	(4,823)	NA
Uni-Marts[2]	6,930	- 98.6	962	- 28.3
DRUG STORES				
Arbor[3]	2,782	+ 22.6	9,576	+ 15.0
Big B	1,909	+383.3	1,909	+383.3
Drug Emporium[4]	1,149	- 57.1	6,591	- 19.7
Fay's	1,835	+ 24.3	1,835	+ 24.3
Genovese*	1,488	+ 77.5	1,488	+ 77.5
Longs	14,070	- 4.9	14,070	- 4.9
Perry[2]*	1,109	+ 83.6	2,567	- 29.4
HOME CENTERS				
Grossman	(3,995)	NA	(3,995)	NA
Hechinger	7,169	- 14.5	7,169	- 14.5
Home Depot	51,288	+ 32.8	51,288	+ 32.8
Lowe's	11,476	- 47.8	11,476	- 47.8
NON-STORE RETAILERS				
Lands' End	1,498	- 12.0	1,498	- 12.0
QVC Network	1,433	NA	1,433	NA
Spiegel	1,017	- 86.9	1,017	- 86.9
Lillian Vernon[4]	1,791	- 42.6	9,270	- 14.2

N/A = not applicable because of loss in either current or comparable period
N/C = no change
*before extraordinary items or changes in accounting principles
†continuing operations only
[1]first quarter figures
[2]second quarter figures
[3]third quarter figures
[4]fourth quarter figures
Source: Company reports

ECONOMY ON THE REBOUND?

MAY RETAIL SALES SUGGEST RECESSION MAY BE OVER

It may be premature, but the strength of May retail sales has led to widespread predictions that the worst of the recession may be over.

The predictions are based on the widely-held theory that since it was reduced consumer spending that brought on the recession, it will be increased consumer spending that will end it.

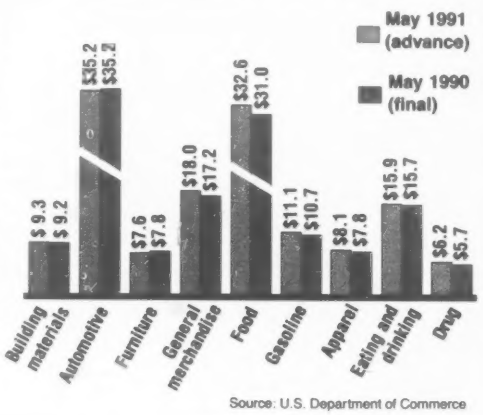
Some of the strongest same-store results posted by retailers included Wal-Mart Stores, which had a rise of 13%; Kmart, which was up 8.5%; The Limited, which was up 10%; The Gap, which rose 15%; and Charming Shoppes, which increased 30%.

Some of the good news has to be attributed to the May weather, which was unusually dry and warm. Many retailers reported stronger-than-average sales of such things as summer clothes, air conditioners and lawn equipment.

If the recovery has arrived, however, two notable companies which did not share in its benefits were Sears, Roebuck and J. C. Penney. Both of these retailers were stung by lower sales for the second consecutive month, both in total and in same-store.

MAYS SALES

(Seasonally adjusted, figures in billions)



Source: U.S. Department of Commerce

CHAIN PERFORMANCE

Company	May '91 sales (000)	% change	% change comp. stores	YTD sales (000)	% change YTD	% change YTD comp. stores
Wal-Mart	$3,493,000	+38.0	+13.0	$12,774,000	+37.0	+12.0
Kmart	2,740,461	+12.5	+ 8.5	10,384,542	+ 9.5	+ 5.4
Sears	2,489,118	− 0.4	− 1.3	10,127,153	− 1.8	− 2.3
Penney	1,099,000	− 0.6	− 1.9	4,584,000	− 2.4	− 3.9
Dayton Hudson	1,060,000	+10.8	+ 0.8	4,350,000	+11.3	+ 0.8
May	802,800	+11.5	+ 2.9	3,114,900	+ 7.7	− 0.6
Melville[1]	697,873	+19.7	+ 0.5	3,586,098	+21.6	+ 0.8
Walgreen[1]	571,575	+11.9	+ 8.1	2,768,276	+11.5	+ 7.4
Woolworth	388,000	+ 4.6	+ 0.7	1,674,000	+ 3.1	+ 1.4
The Limited	439,800	+22.0	+10.0	1,724,000	+18.0	+ 3.0
Mercantile	180,823	+ 7.6	+ 4.8	716,232	+ 5.8	+ 3.2
Circuit City[2]	195,900	+10.0	− 8.0	557,600	+14.0	− 4.0
The Gap	165,000	+33.0	+15.0	655,000	+25.0	+ 8.0
Rose's	143,378	N/R	+ 7.5	466,213	N/R	+ 4.0
Neiman-Marcus Group[3]	133,200	+ 3.1	− 2.4	1,481,600	+ 5.3	+ 0.4
Venture Stores	114,300	+17.8	+13.4	429,100	+11.1	+ 6.8
Edison Bros.	101,200	+20.8	N/R	401,000	+20.9	N/R
Jamesway	69,486	N/C	+ 9.0	243,428	N/C	N/C
Charming Shoppes	94,200	+38.0	+30.0	317,100	+22.0	+14.0
Ross	73,000	+22.0	+ 4.0	272,000	+18.0	+ 2.0
Dollar General	53,500	+17.0	+13.1	209,700	+12.6	+ 8.4
Best Buy[4]	57,000	+42.0	+16.0	166,000	+32.0	+ 9.0
Gottschalks	22,912	+24.3	+10.8	85,836	+20.9	+ 7.7
Claire's	18,341	+ 8.0	− 6.0	74,303	+ 5.4	N/R

[1]fiscal year ends Dec. 31 [2]fiscal year ends Feb. 28 [3]fiscal year ends July 31 [4]fiscal year ends Mar. 31 N/R = not reported N/C = no change Source: Company reports

Chain Store Age Executive (USPS 054-410; ISSN 0193-1199), is published monthly by Lebhar-Friedman Inc., 425 Park Ave., New York, NY 10022, on a controlled basis to qualified retailers, real estate and shopping center developers and operators, architects and design firms, and at $79 a year; outside U.S.A.: Canada $79 (U.S. $) a year; elsewhere $125 a year, air-mail only. Single copy price: $5. Second class postage paid at New York, NY, and additional mailing offices. Vol. 67, No. 7 Copyright © 1991 by Lebhar-Friedman Inc. All rights reserved.
POSTMASTER: Please send address changes to Chain Store Age Executive, Subscription Department, P.O. Box 31185, Tampa, Fla. 33631-3185.